

TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

-0- -1- -0- -0- -5-

2. STATE:

Indiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

4-1-01 7/01/01 J.H.

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447-272

7. FEDERAL BUDGET IMPACT:

a. FFY 2001 \$ 7,058,989.00

b. FFY 2002 \$ 9,500,000.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D, Pg 49
Page 48(a)9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 4.19-D, Page 49

10. SUBJECT OF AMENDMENT:

payments to NFs owned and operated by a non-state governmental entity

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Kathleen D. Gifford/ph

13. TYPED NAME:

Kathleen D. Gifford

14. TITLE:

Asst. Secretary, Medicaid Policy & Planning

15. DATE SUBMITTED:

3/30/01

16. RETURN TO:

Kathleen D. Gifford
Assistant Secretary, OMPP
402 W. Washington, Room W382
Indpls., IN 46204
ATTN: Tracy Brunner, Plan Coordinator

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

3/30/01

18. DATE APPROVED:

12/12/01

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

7-01-01

20. SIGNATURE OF REGIONAL OFFICIAL:

Cheryl A. Harris

21. TYPED NAME:

Cheryl A. Harris

22. TITLE: Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

RECEIVED

MAR 30 2001

DMCH - IL/IN/OH

RECEIVED

MAR 30 2001
ADM 036 (2001)

DMCH - IL/IN/OH

In addition to the uniform Medicaid rates for nursing facilities, any nursing facility that is owned and operated by a non-state governmental shall receive an additional Medicaid payment adjustment, which shall not exceed the upper payment limit pursuant to 42 CFR 447.272. Any such payment shall be subject to the availability of state matching funds for the same state fiscal year in which payment for services are made.

The payment adjustment that is proposed by this State Plan Amendment will be calculated as follows:

For purposes of this State Plan Amendment, the Office of Medicaid Policy and Planning (Office) shall calculate a "proportionate share pool" which shall equal the aggregate amount of additional Medicaid payment adjustment that is permitted by the plan. The proportionate share pool is created to increase Medicaid reimbursement to participating nursing facilities that are owned or operated by a non-state governmental entity. The proportionate share pool is subject to the Medicaid upper payment limits found at 42 CFR 447.272.

For each state fiscal year (SFY), the proportionate share pool shall be calculated as the difference between the average Medicaid rate for nursing facilities that are owned or operated by a non-state governmental entity and the amount that the Office reasonably estimates would have been paid using Medicare payment principles. The average Medicaid rate shall be adjusted to account for program differences in services between Medicaid and Medicare. These adjustments are for laboratory, radiology, and pharmacy services. The difference between the estimated Medicare rate and the average adjusted Medicaid rate, extended times the number of Medicaid days, shall be calculated for nursing facilities that are owned or operated by a non-state governmental entity to arrive at the proportionate share pool.

The proportionate share pool will be distributed in the form of increased Medicaid payments to nursing facilities that are owned or operated by a non-state governmental entity, that have entered into an agreement with the Office to participate in the proportionate share program. The proportionate share pool is allocated to participating facilities in proportion to each facility's share of Medicaid days to the total Medicaid days of participating facilities. The proportionate share pool shall be determined and distributed to participating facilities on a quarterly basis for each SFY.

TN 01-005

Supersedes:

~~TN 98-014~~

New JH.

Approved _____ Effective Date: July 1, 2001

